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Chief Minister B S Yediyurappa, with the briefcase containing budget documents, at a press conference in Bengaluru on Monday | VINOD KUMAR T

₹2,46,207 cr
TOTAL ALLOCATION FOR 2021-22
The budget size this year exceeds the previous one by ₹8,314 crore, recording 3.5% growth

₹59,240 cr
ESTIMATED FISCAL DEFICIT FOR 2021-22
The deficit stands at 3.48% of the GSDP

₹15,134 cr
REVENUE DEFICIT IN 2021-22
The Chief Minister presented a revenue-deficit budget, terming it as "balanced" and "all-inclusive", despite the adverse situation

₹4,57,899 cr
ESTIMATED TOTAL LIABILITIES AT THE END OF 2021-22
This is 26.9% of the GSDP; Suitable amendment to be brought to the Karnataka Fiscal Responsibility Act, 2002, in this regard

1st
THIS IS THE FIRST TIME IN DECADES THAT THE STATE HAS SEEN A REVENUE-DEFICIT BUDGET

CM presents revenue-deficit budget with outlay of ₹2,46,207 crore • GSDP contracts by 2.6% • Only farm sector records 6.4% growth • ₹5,372 crore spent for management of Covid-19

BSY WALKS A FINE LINE

ANUSHA RAVI @ Bengaluru

Chief Minister B S Yediyurappa presents the state budget for 2021, amid a walkout by Congress, at Vidhana Soudha in Bengaluru on Monday | EXPRESS

AMID a severe fund crunch and the burden of additional loans, Chief Minister B S Yediyurappa on Monday presented the State's first budget post the pandemic impact, with a total outlay of ₹2,46,207 crore. The budget size is ₹8,314 crore more than the previous year.

In a first for Karnataka in decades, Yediyurappa presented a revenue-deficit budget with the deficit pegged at ₹15,133.60 crore for 2021-2022. As reported earlier by *The New Indian Express*, revised estimates for the fiscal year 2020-21 showed that the pandemic-hit year also is set to end in a revenue deficit of ₹19,485.84 crore.

Despite increased borrowings, estimated at about ₹71,462 crore, and revenue receipts expected to be lower than 2020-21 by ₹7,649 crore, Yediyurappa chose not to increase excise or fuel tax. Karnataka's GSDP contracted by 2.6 per cent in 2020-21. While agriculture saw 6.4 per cent growth, the industrial and services sectors saw contraction by 5.1 per cent and 3.1 per cent, respectively.

Like last year, the CM clubbed departments under umbrella sectors, instead of making departmental allocation. The highlight of the budget remained Yediyurappa's special mention of cross-sectoral women-oriented schemes, funds and incentive programmes with a compiled grant of ₹37,188 crore.

Aimed at commemorating International Women's Day, Yediyurappa dedicated 18 points in his budget in the form of assurances and schemes for women including ₹5 crore for Elevate WomEN, a programme to support women entrepreneurs apart from loans up to ₹2 crore with subsidised interest rate for those in the services sector and concessional bus passes for women garment factory workers among others.

"Despite the distress situation and shortfall in revenue, we have managed all committed expenditures. All existing programmes will also continue," Yediyurappa said.

Incidentally, the budget has also proposed to restart 'Anugraha', a flagship scheme of Siddaramaiah. While last year's budget focused on funds for mutts, Yediyurappa has set aside ₹500 crore for 16 boards and corporations, while ₹500 crore will be given to a yet-to-be-established Vokkaliga development board. The allocation is on par with the ₹500 crore announced for the Veerashaiva-Lingayat development board, of which ₹100 crore will be spent this year.

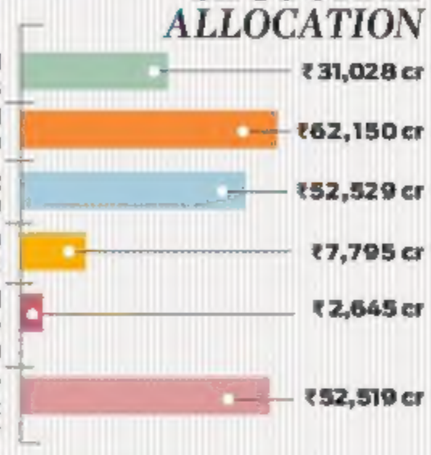
While Yediyurappa has committed to speeding up some big-ticket irrigation projects, subsidies and concessions for entrepreneurs and farmers also find prominent mention in the budget. About seven new policies, including on cybersecurity, defence manufacturing, data centres, self-help groups, etc, setting up of two clusters and 12 industrial parks — Plastic park, Food park, Ecotourism park, Tree parks, Signature Business park, Solar park, etc., have been proposed.

"In Karnataka, ₹5,372 crore has been spent for the management of Covid-19 and 63.59 lakh beneficiaries from different sectors have been given help," Yediyurappa said while recounting the challenges his government faced during the pandemic.

CONGRESS STAGES WALKOUT: P4

K'TAKA BUDGET 2021-22 DECODED

SECTORAL ALLOCATION



KEY TAKEAWAYS

- **No hike in fuel tax or excise duty**
- **12 new industrial parks across sectors, 2 new manufacturing clusters and 7 new policies on various issues proposed**
- **Stamp duty for apartment registration, costing ₹35-45 lakh, reduced from 5% to 3%.**

Though there are clear indications of recovery of green cover, 2021-22 may bring various kinds of challenges
B S Yediyurappa, Chief Minister

Dividing the budget into sectors will not help understand how much is to be spent department-wise
Siddaramaiah, former Chief Minister, CLP leader

TEMPORARY STAY FACILITIES FOR CONSTRUCTION WORKERS

BENGALURU: During the pandemic-induced lockdown last year, Karnataka witnessed hundreds of construction labourers heading back to their villages within and outside the state. Realising the problems faced by them, the Karnataka Building and Other Construction Workers' Welfare Board will construct four well-furnished residential complexes for temporary stay in Bengaluru Urban and Rural districts, one each in Mysuru, Shivamogga, Hubballi, Kalaburgi, Ballari, Hassan, Davanagere, Gadag and Chamarajanagar districts.

Space the new frontier for defence policy

RAMU PATIL @ Bengaluru

TO stay ahead of competition, the State Government is coming up with a new Defence and Aerospace Policy that will focus on attracting investment in the sector. Karnataka was the first state to come out with an aerospace policy in 2013, and the new proposal is intended to factor in developments in the last eight years as well as emerging sectors.

Karnataka has a share of over 65 per cent in exports from the defence and aerospace sectors. The latest move is aimed at maintaining that lead and lay emphasis on indigenous production under the Atma Nirbhar Bharat Abhiyan, Chief Minister B S Yediyurappa said on Monday, while presenting the State Budget 2021-22 at the Vidhana Soudha.

"Since 2013, a lot of developments have taken place and most of the sourcing is happening from here. We are looking at expanding the policy to include recent developments in the field of small-scale industries, new advancements like drones, missiles, space and other sectors," Additional Chief Secretary, Industries and Commerce Department, Gaurav Gupta, told *The New Indian Express*.

CONTINUED ON: P7

Budget push for women: Schemes to get ₹37k cr

FOR A SAFE & SECURE FUTURE

Establishment of an additional 100 Kittur Rani Chennamma child care centres for the protection of children of registered construction labourers

Excellence centres with the help of NIMHANS and NLSIU to be set up to help women who are subjected to harassment and abuse

Elevate Women programme at a cost of ₹5 crore to assist women entrepreneurs to be implemented

Campaign for Women Safety and Empowerment

CHETANA BELAGERE @ Bengaluru

CHIEF Minister B S Yediyurappa presented a women's special budget on International Women's Day, with a slew of announcements and allocations for their empowerment and safety. Interestingly, the CM began his budget speech by announcing a total grant of ₹37,188 crore for women-centric programmes.

The CM focused on programmes to assist working women and encourage entrepreneurship. From brick-and-mortar and e-markets for products made by women entrepreneurs, the budget focused on not just health care, wellness and service sectors, but has announced assistance for women entrepreneurs manufacturing papads, pickles, roti, and spices, among others.

Support will be provided for 6,000 micro-enterprises under Rural Development and Panchayati Raj Department to generate employment for 60,000 women.

Branding and online marketing assistance for such enterprises will also be given to women. "Women setting up businesses in the services sector can get up to ₹2 crore loan at 4 per cent interest from the Women's Development Corporation or Karnataka State Finance Corporation. To help expand the market, products of women entrepreneurs will be exhibited for a week at the half-yearly marketing fairs in major cities like Bengaluru, Belagavi, Mysuru and Kalaburagi," he announced.

Also, to encourage women with licences obtained from APMCs, they will be given 10 per cent reservation in allotment of sites and godowns, in the APMC yards. P7

6 MONTHS CHILD CARE LEAVE

Women employees of the state government will be given six months child care leave along with maternity leave which is already in existence, the CM announced. P3

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INSIDE NO NEW IDEAS IN BUDGET | P2 | COVID FAILS TO SHAKE GOVT, HEALTH ALLOCATION LOW | P3 | A PINCH MORE FOR EDUCATION | P5

EXPRESS READ

Remarks on rape case misreported, says SC

New Delhi: The Supreme Court on Monday said its observation during the hearing last week in a bail matter in a rape case were 'completely misreported' and added that it has the 'highest respect' for women. The comments - on International Women's Day - come in the wake of criticism against the SC purportedly asking an accused if he would marry the survivor. P10

Maratha quota: Apex court issues notices to states

New Delhi: The Supreme Court on Monday, while hearing pleas about reservation to Marathas, sought responses from all states on issues of "seminal importance", including as to whether the 102nd Amendment to the Constitution deprives the state legislature of its power to enact a law determining the socially and economically backward classes and conferring benefits to them under its enabling power. P10

UK MPs question India's handling of farm protests

New Delhi: India's handling of the farmers protests, including the arrest of climate activist Disha Ravi and the internet clampdown, was attacked in the British Parliament on Monday. An e-petition on freedom of press and safety of the agitators was introduced for debate by Scottish National Party MP Martyn Day, who said that the merits of the laws were not up for debate as India, as a sovereign state, had the right to enforce legislation. P9